

Montana Department of Public Health & Human Services	Policy
	SH CACFP 1998-1 Rev 1
	Section: Sponsors of Day Care Homes
Child and Adult Care Food Program	Subject: Tiering
	Date Revised: 5/1/2011

TIERING

Tiering Procedure:

Sponsoring organizations (SO) determine tiering status for day care homes using the following three criteria and in the following order: If the 'school' criteria does not support Tier I classification, then the SO proceeds to examine the 'census' criteria. If the 'census' criteria does not support Tier I classification, then the SO proceeds to examine the 'provider income' criteria. If none of the three criteria support Tier I classification, then the provider is classified as Tier II – Low, High, or Mixed.

Criteria to Determine Tiering Status:

1. School

- Use the most current K-12 school district annual data issued by the Montana Office of Public Instruction to verify the schools with equal to or greater than 50% of enrolled children eligible for free and reduced-price meals in the USDA National School Lunch Program. School data is acceptable for 5 years before re-determining the tiering status.
- Documentation on file includes a school district map or school official letter, and a copy from the data listing a school district as >50%.
- For situations in which residents in an area are not assigned to attend a specific school district and there is not a complete assessment of the socioeconomic status of the area as a whole, then school data is not appropriate. In this case, day care homes must be tiered based on census criteria or provider income criteria.

2. Census

- Use the most current census data available at www.census.gov. Census data is acceptable for 10 years before re-determining the tiering status. If the provider qualifies for Tier I by school *and* by census, the SO may classify the provider as Tier I by census which is acceptable for 10 years before re-determining the tiering status.
- Documentation on file includes a copy from the data listing census tract as >50%, and print screen and census map from the Fair Data website.

3. Income and Categorical Eligibility

- Use income eligibility forms followed by supporting documentation; all documentation must be kept on file. Eligibility may be certified on categorical eligibility (providers or children who are members of Supplemental Nutrition Assistance Program (SNAP) households, households participating in certain State programs for Temporary Assistance to Needy Families (TANF), or members of households participating in the Food Distribution on Indian Reservations (FDPIR) are automatically eligible) or on household size and income. The income eligibility forms are acceptable for 1 year from the month the form is signed before re-determining the tiering status.

- Income eligibility forms are required for provider's own children if they are to be claimed as Tier I. Provider's own children who are not eligible by their parents' income for Tier I cannot have their meals reimbursed by the CACFP. Since a day care home may qualify as a Tier I home on the basis of the provider's household eligibility for free or reduced price meals, by definition there will be no meals reimbursed for provider's own children in Tier II homes.
- The Healthy, Hunger-Free Kids Act of 2010 (the Act), Public Law 111-296, provides categorical eligibility for free meals to foster children. This provision only applies to foster children formally placed by a State child welfare agency or a court.

Based on the above tiering status procedure, day care homes will be categorized as Tier I or Tier II (Tier II High, Tier II Low, or Tier II Mixed).

Tiering Changes for Day Care Home Providers:

Day care home (DCH) providers can claim meals to the CACFP in only one tier category in a one-month period.

Changes in school district data or census data distributed for purpose of tiering DCH providers are effective statewide from the first day of the month the State agency makes the information available to the SO.

DCH providers whose circumstances change must notify their SO.

1. Changes on the basis of school or census are effective on the first day of the month during which the evaluation request is received by the SO.
2. Changes on the basis of changes in income are effective on the first day of the month following the month the evaluation request is documented and verified by the SO. If the provider elects to use Schedule C from a filed IRS form 1040 to show business income & expense for qualification, the signature page of the 1040 must be attached. If using a Schedule C form without a filed return or some other worksheet, the provider must document all income to be considered for Tier 1 status. Providers are required to notify their SO when their income changes by more than \$50.00 per month or \$600 per year.
3. When a DCH provider moves, the SO must perform a pre-enrollment visit to the provider at the new address, and the SO must also re-determine the provider's tiering at this new address. The re-determination of tiering is effective on the date the re-determination is made. The re-determination of tiering for a DCH provider that has moved must be made within two weeks of the pre-enrollment visit.

There will be no identification of children in DCHs in which meals are reimbursed at both the tier I and tier II reimbursement rates. The SO will not make any free and reduced price eligibility information concerning individual households available to DCH providers and will otherwise limit the use of such information to persons directly connected with the administration and enforcement of the program. DCH providers can collect IEFs on behalf of the SO.

[References: ARM 37.75.202; 7 CFR 226.23(e)(2)(vii); 7 CFR 226.23(b); CACFP Eligibility Guidance for Family Day Care Homes, USDA and FNS document]